

**STATE MINERAL AND ENERGY BOARD
DOCKET REVIEW COMMITTEE**

ITEMS REQUIRING BOARD APPROVAL

FEBRURARY 9, 2011

**A. STATE AGENCY LEASES
FEBRUARY 9, 2010**

La. R.S. 30:151 identifies the term “agency” as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency doesn’t want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc.

La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

No items received for this category.

B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010

La. R.S. 30:128 (A) provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the office of mineral resources.

This sections deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (formerly called a Form B) listing the pre- transfer ownership interest in the lease and the post- transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

1. ASSIGNMENT

STATE LEASE NO. 20437,
Plaquemines Parish, Louisiana

An Assignment from Cypress Energy Corporation to Gulf Explorer, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20437, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Gulf Exploration, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

2. ASSIGNMENT

STATE LEASE NO. 20442,
Sabine Parish, Louisiana

An Assignment from Paramount Energy, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20442, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

3. ASSIGNMENT

OPERATING AGREEMENT
"A0158", Red River Parish,
Louisiana

An Assignment from The Whitney Corporation and Robert L. Kreidler and Frances A. Kreidler, husband and wife, to Encana Oil & Gas (USA) Inc., of all of Assignor's right, title and interest in and to Operating Agreement "A0158", Red River Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** Operating Agreement "A0158" is situated within the geographical confines of the HA RA SUF, with further particulars being stipulated in the instrument.

Weiser Brown Operating Company is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

4. ASSIGNMENT

STATE LEASE NO. 19391,
Plaquemines Parish, Louisiana

An Assignment from Century Exploration New Orleans, Inc. to Champion Exploration, LLC, an undivided 9.52777% leasehold interest in and to State Lease No. 19391, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Century Exploration New Orleans, Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

5. ASSIGNMENT

STATE LEASE NOS. 15346,
15350 and 15354, St. Landry
Parish, Louisiana

An Assignment from Synergy Oil & Gas, LP to Whittier Energy Company, of all of Assignor's right, title and interest in and to State Lease Nos. 15346, 15350 and 15354, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

Whittier Energy Company is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

6. ASSIGNMENT

STATE LEASE NO. 20452,
Iberia and Vermilion Parishes,
Louisiana

An Assignment from Fleetwood Resources, Inc. to Continental Resources, Inc., of all of Assignor's right, title and interest in and to State Lease No. 20452, Iberia and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

Continental Resources, Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

7. MERGER

STATE LEASE NOS. 4080,
4183, 12725, 12848, 13465,
18593, 19098 and 19109,
Calcasieu and Cameron
Parishes, Louisiana

A Merger whereby Rimco Production Company is merging with and into Whittier Energy Company, under the name of Whittier Energy Company, affecting State Lease Nos. 4080, 4183, 12725, 12848, 13465, 18593, 19098 and 19109, Calcasieu and Cameron Parishes, Louisiana, with further particulars being stipulated in the instrument.

8. ASSIGNMENT

STATE LEASE NOS. 797,
799, 800, 14031, 18737, 18738,
19428, 19429, 19681, 19682,
19683, 19684, 19685, 19707,
19708, 19709 and 19710,
Jefferson and Plaquemines
Parishes, Louisiana

An Assignment from Exxon Mobil Corporation to Energy XXI GOM, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 797, 799, 800, 14031, 18737, 18738, 19428, 19429, 19681, 19682, 19683, 19684, 19685, 19707, 19708, 19709 and 19710, Jefferson and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

Energy XXI GOM, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

9. ASSIGNMENT

STATE LEASE NOS. 560,
15276 and Operating Agreement
"A0235", St. James Parish,
Louisiana

An Assignment from Consolidated Reserves Company, L.C. to CRCOne, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 560, 15276 and Operating Agreement "A0235", St. James Parish, Louisiana, **LIMITED TO** the area covered and affected by the leases situated within the geographic boundaries of the 910.744 acre Andries Sand, Reservoir A Sand Unit A, **AND FURTHER LIMITED** from the surface of the earth to the base of the Andries Sand defined to be the stratigraphic equivalent of the sand encountered between electric log depths of 11,696' and 11,756' in the Linder Oil Company, A Partnership-J.A. Zeringue, et al No. 1 Well, with further particulars being stipulated in the instrument.

CRCOne, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

10. ASSIGNMENT

STATE LEASE NOS. 560,
15276 and Operating Agreement
"A0235", St. James Parish,
Louisiana

An Assignment from CRCOne, LLC, of an undivided interest to the following in the proportions set out below:

Destin Resources LLC	50%
Reserves Management, L.C.	50%

in and to State Lease Nos. 560, 15276 and Operating Agreement "A0235", St. James Parish, Louisiana, **LIMITED TO** the area covered and affected by the leases situated within the geographic boundaries of the 910.744 acre Andries Sand, Reservoir A Sand Unit A, **AND FURTHER LIMITED** from the surface of the earth to the base of the Andries Sand defined to be the stratigraphic equivalent of the sand encountered between electric log depths of 11,696' and 11,756' in the Linder Oil Company, A Partnership-J.A. Zeringue, et al No. 1 Well, with further particulars being stipulated in the instrument.

Destin Resources LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

11. ASSIGNMENT

STATE LEASE NOS. 2178,
2179 and 2225, Madison and
Richland Parishes, Louisiana

An Assignment from Edwin L. Cox, of all of Assignor's right, title and interest to the following in the proportions set out below:

Eland Energy, Inc.

1/12th

Conquest Petroleum Incorporated

11/12ths

in and to State Lease Nos. 2178, 2179 and 2225, Madison and Richland Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS TO** depths below the top of the Massive Anhydrite of the Delhi Unit, **AND** an Assignment from Edwin L. Cox to Conquest Petroleum Incorporated, of all of Assignor's right, title and interest in and to State Lease Nos. 2178, 2179 and 2225, Madison and Richland Parishes, **AS TO ALL OTHER DEPTHS**, with further particulars being stipulated in the instrument.

Eland Energy, Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

12. ASSIGNMENT

STATE LEASE NO. 20459,
Plaquemines Parish, Louisiana

An Assignment from Oil Land Services, Inc. to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20459, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

13. ASSIGNMENT

STATE LEASE NOS. 1461,
1462, 14617, 19849, 19850,
19851, 19852, 19853, 19855,
19856, 19857, 19858, 19860,
19861 and 19925,
Catahoula, Concordia and
LaSalle Parishes, Louisiana

An Assignment from TriDimension Energy, L.P. and Axis Onshore, LP to SR Acquisition I, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1461, 1462, 14617, 19849, 19850, 19851, 19852, 19853, 19855, 19856, 19857, 19858, 19860, 19861 and 19925, Catahoula, Concordia and LaSalle Parishes, Louisiana, with further particulars being stipulated in the instrument.

SR Acquisition I, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

14. ASSIGNMENT

STATE LEASE NO. 19972,
East and West Baton Rouge
Parishes, Louisiana

An Assignment from Flagstone 1992, L.P. to COG-EPCO 1992 Limited Partnership, of all of Assignor's right, title and interest in and to State Lease No. 19972, East and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument.

COG-EPCO 1992 Limited Partnership is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

15. ASSIGNMENT

STATE LEASE NOS. 6121
and 14674, East Baton Rouge,
West Baton Rouge and Pointe
Coupee Parishes, Louisiana

An Assignment from Flagstone 1992, L.P. to COG-EPCO 1992 Limited Partnership, of all of Assignor's right, title and interest in and to State Lease Nos. 6121 and 14674, East Baton Rouge, West Baton Rouge and Pointe Coupee Parishes, Louisiana, with further particulars being stipulated in the instrument.

COG-EPCO 1992 Limited Partnership is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
FEBRUARY 9, 2010**

16. ASSIGNMENT

STATE LEASE NO. 3557,
Catahoula Parish, Louisiana

An Assignment from Vada Energy, LLC to RAM Oil & Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 3557, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument.

RAM Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

17. ASSIGNMENT

STATE LEASE NO. 19765,
Bossier, Caddo and Red River
Parishes, Louisiana

An Assignment from BH Petroleum, Inc. to Encana Oil & Gas (USA) Inc., of all of Assignor's right, title and interest in and to State Lease No. 19765, Bossier, Caddo and Red River Parishes, Louisiana, with further particulars being stipulated in the instrument.

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

18. ASSIGNMENT

STATE LEASE NO. 19769,
Bossier, Caddo and Red River
Parishes, Louisiana

An Assignment from BH Petroleum, Inc. to Encana Oil & Gas (USA) Inc., of all of Assignor's right, title and interest in and to State Lease No. 19769, Bossier, Caddo and Red River Parishes, Louisiana, with further particulars being stipulated in the instrument.

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**C. DEPARTMENT OF WILDLIFE AND FISHERIES STATE AGENCY
LEASE TRANSFERS
FEBRUARY 9, 2011**

The State Agency Leases require that any transfer of interest be approved by the Agency prior to the transfer. By Co-operative Endeavor Agreement, dated effective December 18, 2009, the Office of Mineral Resources has assumed responsibility for the administration of all State Agency Leases awarded by or on behalf of the said Department of Wildlife and Fisheries.

This section deals with transfers of interests in those State Agency Leases for the Department of Wildlife and Fisheries now under administration by the Office of Mineral Resources as staff of the Louisiana State Mineral and Energy Board and for which approval by the Board is being requested. Accompanying each item submitted in this section was an Ownership Transfer Form (Form-B) listing the pre-transfer and post-transfer interest of all party lease owners in the lease(s) herein set forth. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent with and reflect the interest in our records; and further, that all form requirements are met.

No items received for this category.

D. ADVERTISED PROPOSALS

FEBRUARY 9, 2011

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect to its mineral leasing activity must be advertised within a specific time of the State Mineral and Energy Board meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease amendments, gas production contracts, amendments, compromise agreements and other types of agreements. These items are checked by the staff to make sure that the contents of the agreement correctly reflect the understanding of all parties, that the form is authentic and properly notarized and that the items have met the statutory advertisement requirements.

1. UNITIZATION AGREEMENT (11-02)

STATE LEASE NOS. 19742
and 19743, Plaquemines Parish,
Louisiana

A Unitization Agreement presented by Forest Oil Corporation, to create a 294.91 acre unit, identified as the **"Forest Oil Corporation- Garden Island Bay Field VUA"**, with 171.00 acres being attributable to State Lease No. 19742 and 123.91 acres being attributable to State Lease No. 19743, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

2. ROYALTY SHARING AGREEMENT (11-03)

STATE LEASE NO. 19354,
Cameron Parish, Louisiana

A Royalty Sharing Agreement by and between the State Mineral Board, the Long-O'Brien Heirs and the Howell Heirs, whereas said parties do hereby agree on the payment of royalties on production attributable to the MIO RA SUA, affecting State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

3. SETTLEMENT AND RELEASE AGREEMENT (11-04)

STATE LEASE NOS. 188,
199, 301, 1021, 1249, 2986,
3278, 3722, 3723, 15110,
15836 and 16529,
Lafourche and Terrebonne
Parishes, Louisiana

A Settlement and Release Agreement by and between the State of Louisiana, acting through its agency, The State Mineral and Energy Board and The Louisiana Land and Exploration Company, whereas said parties agree to settle audit claims, affecting State Lease Nos. 188, 199, 301, 1021, 1249, 2986, 3278, 3722, 3723, 15110, 15836 and 16529, Lafourche and Terrebonne Parishes, Louisiana, with further particulars being stipulated in the instrument.

D. ADVERTISED PROPOSALS
FEBRUARY 9, 2011

4. DIVISION ORDER AND AGREEMENT (11-05)

STATE LEASE NOS. 19250
and 19950, Plaquemines Parish,
Louisiana

A Division Order and Agreement by and between the State of Louisiana, acting through its agency, The Louisiana State Mineral and Energy Board, White Oak Operating Company, LLC, Manti Exploration Operating LLC and "Disputed Landowners" listed on "Exhibit A" attached hereto, whereas said parties agree to the allocations of production of the acreage of the K RA SUA unit in Drakes Bay Field, affecting State Lease Nos. 19250 and 19950, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

5. LEASE AMENDMENT (11-06)

STATE LEASE NO. 4238,
Terrebonne Parish, Louisiana

A Lease Amendment presented by and between the State Mineral and Energy Board and Black Elk Energy Offshore Operations, LLC, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 4238, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.